

RECORDATION NO. 20425-A  
FILED 1426

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December 26, 1996

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

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DEC 20 1996 -2 15 PM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Security Agreement, dated December 23, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents and an Assignment of Lessors' Interest in Lease, dated December 23, 1996, a secondary document related thereto.

The names and addresses of the parties to the enclosed documents are:

Debtor/Assignor: Georgia Industrial Leasing, Inc.  
3212 East Wood Valley Road  
Atlanta, Georgia 30327

Secured Party/Assignee: First Bank of Georgia  
2833 Main Street  
East Point, Georgia 30344

Description of the railroad equipment covered by the Security Agreement is:

38 railcars GLNX 101 through GLNX 138, inclusive

Canterbury - E. Alvord

Mr. Vernon A Williams  
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The Lease Agreements covered by the Assignment are the following

Lease dated December 7, 1993 (Rec No 18656)  
Lease dated November 28, 1994 (Rec No 19120-A)  
Lease dated April 1, 1995 (Rec No 19404-A)  
Lease dated June 15, 1996 (Rec No \_\_\_\_\_)

Please cross-index the Assignment under Recordation Numbers 18656, 19120, 19404 and 20424-A

Also enclosed is a check in the amount of \$132 00 payable to the order of the Surface Transportation Board covering the required recordation fees

Kindly return stamped copies of the enclosed documents to the undersigned

Very truly yours,



Robert W Alvord

RWA/bg  
Enclosures


12/26/96

Robert W. Alvord  
Alvord And Alvord  
918 Sixteenth Street, NW., Ste. 200  
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/26/96 at 2:15PM, and assigned recordation number(s). 20424, 20425-A, 18656-B, 19120-C, 19404-C and 20424-A. (20425)

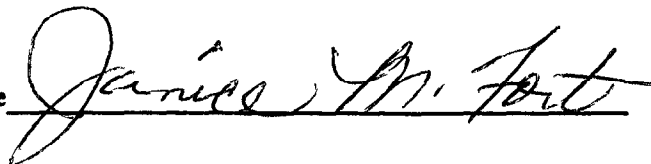
Sincerely yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 154.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



STATE OF GEORGIA  
COUNTY OF FULTON

20425 A  
DEC 20 1996

## ASSIGNMENT OF LESSORS' INTEREST IN LEASE

THIS ASSIGNMENT OF LESSORS' INTEREST IN LEASE (hereinafter referred to as this "Assignment") made and entered into this 23rd day of December, 1996, by and between GEORGIA INDUSTRIAL LEASING, INC., a Georgia corporation having a mailing address of 3212 East Wood Valley Road, Atlanta, Georgia 30327 (hereinafter referred to as "Borrower"), and FIRST BANK OF GEORGIA, a state chartered banking institution, having a mailing address of 2833 Main Street, East Point, Georgia 30344 (hereinafter referred to as "Lender").

### W I T N E S S E T H:

That for and in consideration of the sum of Ten and no/100 Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and in order to secure the indebtedness and other obligations of Borrower hereinafter set forth, Borrower does hereby grant, transfer and assign to Lender and the successors and assigns of Lender all of the right, title and interest of Borrower in, to and under those that certain lease agreements including any and all extensions, renewals and modifications thereof and guarantees of the performance or obligations of any "Lessee" thereunder (hereinafter collectively referred to as the "Lease") more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof, said Lease being executed by or on behalf of Borrower, as "Lessor" therein, and said Lease transferring a leasehold interest in certain personal property described in Exhibit "B" attached hereto

and incorporated herein by this reference (hereinafter referred to as the "Property"); TOGETHER WITH all of the interest of Borrowers in and to all rents, issues and profits from the Lease and from the Property.

This Assignment is made for the purpose of securing the following described indebtednesses:

1. Indebtedness of Georgia Industrial Leasing, Inc.

(a) the debt evidenced by that certain Promissory Note (hereinafter referred to as the "Note" and to which Note reference is hereby made for all purposes) dated December 23, 1996, made by Georgia Industrial Leasing, Inc., payable to the order of Lender in the principal face amount of Ninety-Four Thousand and no/100 Dollars (\$94,000.00), with the final payment being due on December 28, 1999, together with any and all renewals and/or extensions of the indebtedness evidenced by the Note;

(b) any and all indebtednesses secured by that certain Security Agreement (hereinafter referred to as the "Security Instrument" and to which Security Instrument reference is hereby made for all purposes) dated December 23, 1996, made by Georgia Industrial Leasing, Inc. in favor of Lender, conveying the Property described therein to secure the indebtedness evidenced by the Note;

(c) any and all advances made by Lender to protect or preserve the security created by this Assignment, or to protect or preserve the Property or the lien of the Security Instrument on said Property or for taxes or insurance premiums as provided in the Security Instrument; and

(d) the performance and discharge of each obligation, covenant and agreement of Georgia Industrial Leasing, Inc. contained herein or in the Note or in the Security Instrument.

Borrower and Lender agree that (i) an extension or extensions may be made at the time of payment of all or any part of the indebtedness evidenced by the Note or of any other indebtedness secured by this Assignment or by the Security Instrument; (ii) the terms of the Note, the Security Instrument and this Assignment may be modified; (iii) additional security may be given by Borrower; and (iv) any of said Leases may be released herefrom; all without altering or affecting the security created by this Assignment in favor of any junior encumbrancer, grantee, purchaser or other person, or any person acquiring or holding an interest in the Lease of the Property or any portion thereof and without altering or releasing the obligation of Borrower under the Note, the Security Instrument or this Assignment.

Should the indebtedness secured by this Assignment be paid according to the tenor and effect thereof when the same shall become due and payable, and should Borrower perform all covenants herein contained, then this Assignment shall be cancelled and surrendered as hereinafter provided.

Borrower and Lender hereby further covenant and agree as follows, in addition to and not in substitution for or derogation of any other covenants contained in the Security Instrument or other instruments concerning the indebtedness secured hereby or by the Security Instrument.

## ARTICLE I

1.01 Warranties of Borrower. Borrower hereby warrants unto Lender that:

(a) Borrower has made no assignment other than this Assignment of any of the rights of Borrower under said Lease;

(b) Borrower has neither done any act nor omitted to do any act which might prevent Lender from, or limit Lender in, acting under any of the provisions of this Assignment;

(c) Borrower has not accepted payment of rental due under the Lease for any period of time subsequent to December 23, 1996;

(d) so far as is known to Borrower, there is no default by any "Lessee" under the terms of the Lease;

(e) Borrower is not prohibited under any agreement with any other person or any judgment or decree from (i) the execution and delivery of either this Assignment or the Lease; (ii) the performance of each and every covenant of Borrower under either this Assignment or Lease; or (iii) the meeting of each and every condition contained in this Assignment;

(f) no action has been brought or, so far as is known to Borrower, is threatened, which in anywise would interfere with the right of Borrower to execute this Assignment and perform all of Borrower's obligations contained in this Assignment and in the Lease; and

(g) the Lease is in full force and effect and has not been modified or amended unless as expressly set forth in said Exhibit "A" attached hereto.

1.02 Covenants of Borrower. Borrower hereby covenants with Lender that:

(a) Borrower will (i) fulfill, perform and observe each and every condition and covenant of Borrower contained in the Lease; (ii) give prompt notice to Lender of any claim of default under the Lease either given by the "Lessee" under the Lease to Borrower or given by Borrower to the "Lessee" under the Lease, together with a complete copy of such claim; (iii) at no cost or expense to Lender, enforce, short of termination, the performance and observance of each and every covenant and condition of each of the Lease to be performed or observed by the "Lessee" thereunder; and (iv) appear in and defend any action growing out of, or in any matter connected with, the Lease or the obligations or liabilities of Borrower as the "Lessor" thereunder or of the "Lessee" or any guarantor thereunder;

(b) Borrower will not, without the prior written consent of Lender, either (i) modify the Lease; (ii) terminate the term or accept the surrender of the Lease; (iii) waive, or release the "Lessee" from, the performance or observance by the "Lessee" of any obligations or condition of the Lease; or (iv) give any consent to any assignments or subleases by the "Lessee" under the Lease;

(c) Borrower shall take no action which shall cause or permit the estate of the "Lessee" under the Lease to merge with the reversionary interest of Borrower in the Property or any portion thereof;



(d) Lender shall not be obligated to perform or discharge any obligation of Borrower under the Lease, and Borrower agrees to, and does hereby indemnify and hold Lender harmless against any and all liability, loss or damage which Lender may incur under the Lease or under or by reason of this Assignment, and from all claims and demands whatsoever which may be asserted against Lender by reason of an act of Lender under this Assignment; and

(e) Lender shall have the right to collect, but not more than one (1) month prior to accrual, all rents, issues and profits from the Property (including, but not by way of limitation, all rental payments under the Lease) and to apply said rents, issues and profits as payment upon the indebtedness described herein or future indebtedness or advances made by Lender to Borrower.

1.03 Covenants of Lender. By acceptance of delivery of this Assignment, Lender covenants with Borrower that:

(a) upon the payment in full of all indebtedness secured hereby and all future indebtedness or advances made by Lender to Borrower as evidenced by the recording or filing of an instrument of satisfaction or full release of the Security Instrument without the recording of another security instrument in favor of Lender, this Assignment shall become and be void and of no further effect.

## ARTICLE II

2.01 Event of Default. The term "Event of Default", wherever used in this Assignment, shall mean any one or more of the following events:

(a) the occurrence of any "default" or "event of default" as defined in either the Note or the Security Instrument; or

(b) the failure by Borrower to duly observe any covenant, condition or agreement of this Assignment, or the breach of any warranty by Borrower contained in this Assignment.

2.02 Remedies. Upon the occurrence of any Event of Default, in addition to any and all other rights and remedies available to Lender under the Note and Security Instrument, and not in substitution therefor, or in derogation thereof, and without any notice to Borrower, Lender may (i) proceed to enter upon, take possession of and operate the Property without becoming a mortgagee in possession; (ii) proceed to perform any and all obligations of Borrower under the Lease and exercise any and all rights of Borrower therein contained as fully as Borrower itself could, all without regard to the adequacy of security for the indebtedness hereby secured and with or without the bringing of any legal action or the causing of any receiver to be appointed by any court or other judicial authority; (iii) make, enforce, modify and accept the surrender of the Lease; (iv) bring dispossessory proceedings against the "Lessee" under the Lease or obtain lessees for the Property; (v) fix or modify rent; and (vi) do all of the acts which Lender may deem necessary or proper to protect the security created by this Assignment. If an Event of Default shall have occurred and be continuing, Borrower does hereby specifically authorize Lender, in the name of Borrower or in the name of Lender, to sue for or otherwise collect and receive all rents, issues and profits from

the Property, including those past due and unpaid, and apply such as required or permitted by the Security Instrument. Taking possession of the Property and the collection of the rents, issues and profits of the Property and the application thereof, as aforesaid, shall not operate to waive any default or prohibit the taking any action by Lender under the Note, the Security Instrument, this Assignment or other related loan documents or at law or in equity to enforce payment of the indebtedness secured hereby or by the Security Instrument or to realize on any other security.

### ARTICLE III

3.01 Successors and Assigns. This Assignment shall inure to the benefit of and be binding upon Borrower and Lender and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Assignment to Borrower or Lender such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of Borrower or Lender.

3.02 Terminology. All personal pronouns used in this Assignment whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and Articles are for convenience only and neither limit nor amplify the provisions of this Assignment itself.

3.03 Severability. If any provision of this Assignment or the application thereof to any person or circumstance shall be invalid

or unenforceable to any extent, the remainder of this Assignment and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

3.04 Applicable Law. This Assignment shall be interpreted, construed and enforced according to the laws of the State of Georgia.

IN WITNESS WHEREOF, Borrowers and Lender have executed this Assignment under seal, as of the day and year first above written.

Signed, sealed and delivered  
by officers of Borrowers this  
23 day of December,  
1996 in the presence of:

WITNESS

NOTARY PUBLIC

Notary Public, Fulton County, Georgia  
My Commission Expires March 9, 1999

Signed, sealed and delivered  
by officers of Lender this  
23 day of December,  
1996 in the presence of:

WITNESS

NOTARY PUBLIC

Notary Public, Fulton County, Georgia  
My Commission Expires March 9, 1999

BORROWERS:

GEORGIA INDUSTRIAL LEASING, INC.

By:

TOM F. WIEDEMAN, President

(CORPORATE SEAL)

LENDER:

FIRST BANK OF GEORGIA

By:

LARRY W. BOURNE,  
Vice President

(BANK SEAL)

*TL*

9047.239

EXHIBIT A TO  
ASSIGNMENT OF LESSORS' INTEREST IN LEASE

(Description of Lease)

1. Railroad Car Lease Agreement dated December 7, 1993 by and between GEORGIA INDUSTRIAL LEASING, INC., a Georgia corporation ("Lessor") and NEWELL RECYCLING CO., INC., a Texas corporation ("Lessee")
2. Railroad Car Lease Agreement dated November 28, 1994 by and between GEORGIA INDUSTRIAL LEASING, INC., a Georgia corporation ("Lessor") and NEWELL RECYCLING CO., INC., a Texas corporation ("Lessee")
3. Railroad Car Lease Agreement dated April 1, 1995, by and between GEORGIA INDUSTRIAL LEASING, INC., a Georgia corporation ("Lessor") and NEWELL RECYCLING CO., INC., a Texas corporation ("Lessee")
4. Railroad Car Lease Agreement dated June 15, 1996, by and between Georgia Industiral Leasing, Inc., a Georgia corporation ("Lessor") and NEWELL RECYCLING OF ATLANTA, INC., a Georgia corporation ("Lessee").

EXHIBIT B TO  
ASSIGNMENT OF LESSORS' INTEREST IN LEASE  
(page 1 of 2)

1. Ten (10), 4,000 cubic foot, 100-ton, rotary coupled gondola coal cars, (53'1" coupler face to face) manufactured by Thrall in 1968.

UNIT NUMBERS

GNLX 101  
GNLX 102  
GNLX 103  
GNLX 104  
GNLX 105  
GNLX 106  
GNLX 107  
GNLX 108  
GNLX 109  
GNLX 110

together with all replacements thereof, all attachments, accessories, parts and tools belonging thereto or for use in connection therewith.

2. One hopper-style rail car, Unit No. GNLX 111 (formerly Unit No. PLE18410, formerly owned by Pittsburgh and Lake Erie Rail Road) together with all replacements thereof, all attachments, accessories, parts and tools belonging thereto or for use in connection therewith.
3. 23 each 3,680 cubic foot, 100-ton rotary coupled gondola coal cars, 53'1" coupler to coupler face and numbered as follows:

UNIT NUMBERS

GNLX 112  
GNLX 113  
GNLX 114  
GNLX 115  
GNLX 116  
GNLX 117  
GNLX 118  
GNLX 119  
GNLX 120  
GNLX 121  
GNLX 122  
GNLX 123

EXHIBIT B TO  
ASSIGNMENT OF LESSORS' INTEREST IN LEASE  
(page 2 of 2)

3. (cont.)

GNLX 124  
GNLX 125  
GNLX 126  
GNLX 127  
GNLX 128  
GNLX 129  
GNLX 130  
GNLX 131  
GNLX 132  
GNLX 133  
GNLX 134

together with all replacements thereof, all attachments, accessories, parts and tools belonging thereto or for use in connection therewith.

4. Four (4) 100 Ton Gondola Cars

UNIT NUMBERS

GNLX 135 f/k/a LN56837  
GNLX 136 f/k/a LN56838  
GNLX 137 f/k/a LN56840  
GNLX 138 f/k/a LN56841

together with all replacements thereof, all attachments, accessories, parts and tools belonging thereto or for use in connection therewith.